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DIRECTORATE OF INTELLIGENCE

MEMORANDUM

The Situation in Vietnam

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115 13 July 1967

Top Secret

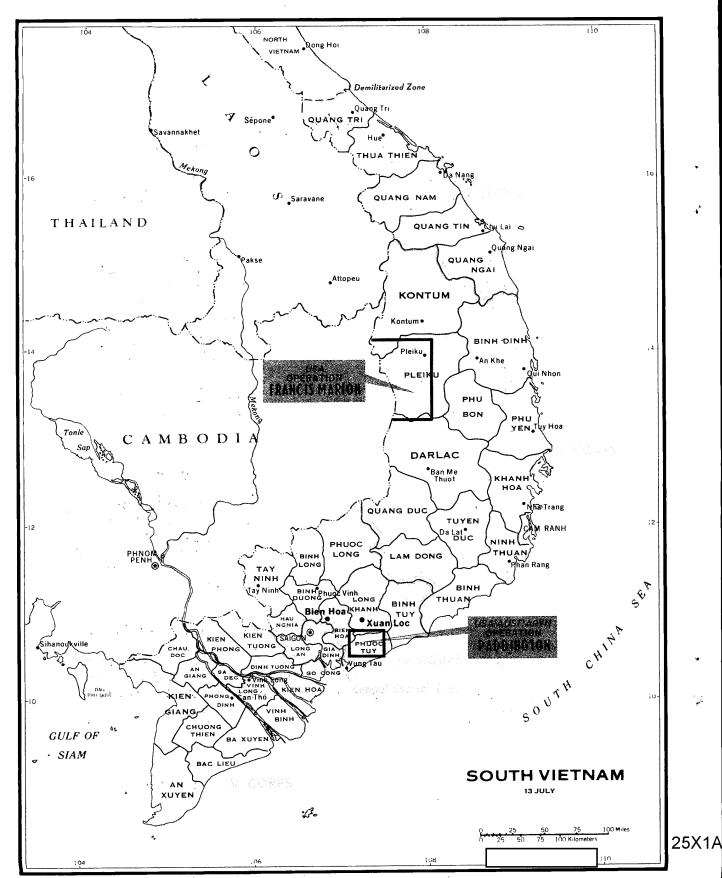
Information as of 1600 13 July 1967

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HIGHLIGHTS

Members of the usually pro-Ky Democratic Alliance Bloc in the Provisional National Assembly have apparently become disaffected with Premier Ky and are less willing to do his bidding.

- I. The Military Situation in South Vietnam: US troops suffered nearly 80 casualties as the result of an encounter on 12 July in southwestern Pleiku Province (Paras. 1-4). Nearly 14,000 allied soldiers are participating in the joint search-and-destroy Operation PADDINGTON in Phuoc Tuy Province (Paras. 5-7).
- II. Political Developments in South Vietnam: Members of the usually pro-Ky Democratic Alliance Bloc are apparently becoming disaffected with Ky (Paras. 1-2). General Duong Van Minh's presidential candidacy will probably be approved in the Provisional National Assembly (Para. 3). Four of the original 64 senate slates have already been withdrawn from the race, and complaints have been filed against 19 of the remaining lists (Paras. 4-6). The Viet Cong have broadcast an appeal to Saigon residents to boycott the elections (Para. 7).
- III. <u>Military Developments in North Vietnam:</u> There is nothing of significance to report.
- IV. Other Communist Military Developments: There is nothing of significance to report.
- V. <u>Communist Political Developments</u>: There is nothing of significance to report.



I. THE MILITARY SITUATION IN SOUTH VIETNAM

- 1. US infantrymen suffered nearly 80 casualties as a result of their encounter on 12 July with an undetermined-size Communist force in southwestern Pleiku Province, according to official reports.
- 2. A US company participating in the long-term border surveillance Operation FRANCIS MARION was attacked while en route to its camp after sweeping an area which was a recent target of a B-52 strike. Several other US companies reinforced the embattled unit and the enemy was forced to withdraw after nearly six hours of heavy fighting. Preliminary official statistics indicate that enemy losses were at least 110 killed, while American casualties include 35 killed, 31 wounded, and ten missing.

4. The encounter on 12 July follows closely an enemy attack against US forces in western Kontum Province earlier this week. This increased military activity in the western highlands, controlled by the over-all command authority known as the B-3 Front, may signal the beginning of an expected intensification of Communist efforts in central South Vietnam.

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Allied Operation in Phuoc Tuy Province

- 5. Significant contact with Communist forces east of Saigon in coastal Phuoc Tuy Province was reported for the first time by South Vietnamese Marines participating in Operation PADDINGTON on 12 July. A four-hour battle resulted in enemy losses of 40 killed; 13 enemy weapons were seized. The South Vietnamese forces lost ten killed and 35 wounded.
- 6. This search-and-destroy operation, which began on 9 July, is a coordinated US South Vietnamese Australian effort to sweep Phuoc Tuy Province in search of the Viet Cong 5th Division. The joint operation--comprising five US Army battalions, two Australian battalions, and two South Vietnamese Marine battalions--consists of nearly 14,000 soldiers and is the largest single drive of its type to be initiated in this area.
- 7. The 3,200-man Viet Cong 5th Division consists of two regiments--the 274th and 275th--and has been reinforced by North Vietnamese Army troops.

sion has been responsible for attacks on allied convoys between Bien Hoa and Xuan Loc. It has managed to avoid large-scale confrontation with allied sweep forces this year.

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II. POLITICAL DEVELOPMENTS IN SOUTH VIETNAM

Members of the usually pro-Premier Ky Democratic Alliance Bloc in the Provisional National Assembly have apparently become disaffected with Ky and are less willing to do his bidding. 25X1 other members are dissatis-25X1 fied with what they regard as Ky's self-serving attitude toward them. They claim he comes to them only when he wants something put through the assembly, has not consulted them on his plans, and has reneged on a number of promises to reciprocate for legislation which they have enacted. It was only through bloc efforts, the members contend, that Ky was able to enter the presidential race at all, since other assembly deputies had favored a 40-year age minimum for candidates which would have eliminated the 37-year-old Ky. Bloc members 25X1 were particularly angered that Ky 25X1 did not consult them before agreeing to become Chief of State Thieu's running mate, and they feel that Ky does not take them seriously or regard them as equal parts of the "team." Big Minh 25X1 3. 25X1 the assembly will approve the presidential candi-25X1 dacy of General Duong Van Minh. 25X1 25X1 the committee voted 12-1, with one blank bal-25X1 lot, to approve Minh's ticket when the slates were first posted on 1 July. Since receipt of the official complaint against Minh and his running mate, some committee members have changed their positions on final approval, but Minh's 25X1 candidacy will nonetheless be approved in the committee and the assembly. 25X

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Review of Senatorial Slates

- 4. Four of the 64 senate slates filed with the Provisional National Assembly on 30 June have been withdrawn or eliminated because of incomplete dossiers and, according to Vietnam press complaints have been filed against 19 of the remaining 60 lists. Complaints are now being reviewed by the Central Election Council, and a final decision on the eligibility of all slates will be made by 22 July.
- Among the more important complaints under review are those against Le Phyoc Sang and Le Quang Liem, both prominent Provisional National Assembly deputies running on a slate headed by cabinet minister La Thanh Nghe. Sang, head of the Democratic Alliance Bloc, is charged with having been an army deserter, and Liem has been accused of corrupt practices during his term as Khanh Hoa Province chief. Other complaints include those against retired Generals Tran Van Don and Ton That Dinh for alleged pro-French neutralist and pro-Communist activities; against three candidates, running on two different slates, for Communist connections; and against five civilian Directorate members, running on five different tickets, for not having taken a leave of absence from the Directorate before filing. Included among these Directorate members is Foreign Minister Tran Van Do.
- 6. The disqualification of any one candidate for pro-Communist activities will result in the elimination of the entire 10-man slate, but disqualification for reasons other than pro-Communism will not necessarily affect the rest of the slate.

Communist Call for Election Boycott

7. The Viet Cong broadcast on 2 July an appeal to residents of the Saigon-Cholon area to boycott the 3 September presidential and senate elections. This appeal had been preceded by a number of Liberation Radio and Radio Hanoi broadcasts terming the election a farce and accusing Thieu and Ky of acting only at the behest of the US.

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